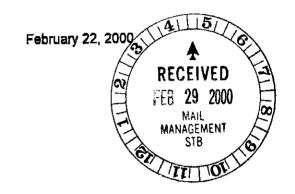


General Manager Mail Logistics Canada Post Corporation 2701 Riverside or Suite No129 Ottawa on K1A 081 Directeur général Logistique des opérations postales SOCIÉTÉ CANADIENNE DES POSTES 2701 PROM RIVERSIDE BUREAU NO129 OTTAWA ON KIA 0B1

Mr. Vernon A. Williams, Secretary Surface Transportation Board Office of the Secretary Case Control Unit Attn: STB Ex Parte No. 582 1925 K Street, N.W. Washington, D.C. 20423-0001 USA



Dear Sir:

Canada Post is an organization that is a major user of rail and other transportation services in the U.S. and Canada. The purpose of this letter is to comment on the issues to be discussed on March 8th, 2000 in Ex Parte 582.

We encourage the Surface Transportation Board to focus on whether the proposed CN-BNSF combination, or any merger for that matter, is good for shippers. The CN-BNSF combination should be judged on its merits.

Service, not timing, of the proposed CN-BNSF combination is the central issue for our company. Recent mergers have failed because of poor execution not because this is a bad time for mergers in the rail industry. Accordingly, the Surface Transportation Board should focus on ensuring that CN-BNSF combination, and any other future mergers, will deliver service.

We trust that the Surface Transporter on Board has a comprehensive process to evaluate railroad transactions and protect the public interest. It should fairly evaluate the CN-BNSF combination according to that process.

We do wonder whether the opposition to the use of the Surface Transportation Board process is an effort to limit strong competition rather than a protection for shippers.

Sincerely.

Entered Office of the Secretary

FEB 29 2000

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